

**LA-Z-BOY UTAH
P.O. BOX 280
350 W 10TH NORTH
TREMONTON, UTAH 84337**


September 9, 2004

Renette Anderson
Department of Environmental Quality
Office of Planning and Public Affairs
168 North 1950 West
Salt Lake City, Utah 84116

Attached you will find La-Z-Boy Utah's application to become a Partner in the "Clean Utah" program. A year ago we decided to implement an EMS in our Utah Plant. We chose one sponsored by the American Furniture Manufacturers Association (AFMA). The program is known as Enhancing Furniture's Environmental Culture. We put our program in place and trained our employees. In May 2004 we received a certification/registration Audit from AFMA. We invited Sonja Wallace to observe the audit and review our program at that time.

Our EFEC team meets twice a month with the plant Vice President to report on status of our program and how we are doing on our environmental goals. We use these meetings to monitor progress and provide direction to the environmental program. We have already felt the positive benefits of our EFEC program and look forward to sharing it with our other La-Z-Boy plants. We look forward to being a partner with the State of Utah in the "Clean Utah" program.

If you have questions about our program, please call me at (435)257-9304.


Norm Davis
Facility Engineer



Sponsored by
Utah Department of Environmental Quality
www.deq.utah.gov/cleanutah
1-800-458-0145

Partner Level Application (Tier Two)

This is a / X / single facility / / multiple facility application*
Applications are accepted at any time and will be reviewed on a semi-annual basis.
Type or print the following information:

LA-Z-BOY UTAH

* Site Specific Facility Name

1000

*Number of Employees

Manufacture upholstered residential furniture

* Product or Service (What do you do?)

* Previous Facility Name(s)

LA-Z-BOY Incorporated

Parent Company, if applicable

2512

*Industry SIC Code (4 digits)

350 West 10th North

*Facility Street Address

Tremonton

City

84337

Zip

P. O. Box 280

Mailing Address

Tremonton

Utah

84337

Zip

Norm Davis

Contact Name

Facility Engineer

Title

435 - 257 - 9304

Telephone

435 - 257 - 6004

norm.davis@la-z-boy.com

E-mail address

* If you are applying for multiple facilities designation, include an additional sheet providing the * information for each facility.

Compliance Eligibility Requirement

Clean Utah! seeks to reward those who are willing to go beyond what is required by rule or statute to prevent or reduce pollution. You are eligible to participate provided you:

- have not been in Significant Noncompliance of Drinking Water, Water Quality, or Hazardous Waste regulations, had a High Priority Violation of Air Quality regulations, had a Severity Level I, II, or III Violation of Radiation Control regulations, or any equivalent violation of any state, federal, or local environmental regulation in the past year and you have not had a total of three such violations in the past three years;
- have not had any criminal violation of environmental regulations for the past five years and are not currently the focus of an environmental criminal investigation.
- have no other open or unresolved violation(s).

Have you continued to meet the compliance eligibility requirement? / X / Yes / No

Note:

Compliance history and status will be determined by the appropriate DEQ program(s), in consultation with EPA and the Local Health Department.

Environmental Management System (EMS)

To be considered for this Tier, you need to have had an Environmental Management System or EMS for one full or continual cycle. Several EMS models currently exist and you can select a model that best meets your circumstances, provided it meets all the components outlined in the Clean Utah! policy. DEQ or its designee reserves the right to request documentation of the EMS and/or to make site visits for verification. Complete the EMS worksheet. Then, answer the following questions:

- Does your company have, in place, an EMS for the facility or facilities requesting the Clean Utah! Partner Level designation?

X / Yes / No

- If you are using a particular EMS model, please name: Enhancing Furniture's Environmental Culture (EFEC) as developed by the American Furniture Manufacturers Association (AFMA)

- Do you meet all the criteria outlined in the EMS worksheet? / X / Yes / No

- Has your EMS been in place for one full cycle? / X / Yes / No

Describe third party or self-assessment protocol used to evaluate your EMS: AFMA sends an auditor to evaluate the EMS. Auditors must receive training through AFMA and pass a written test to meet all of the AFMA requirements. In our case, Robert Polino, Senior Project Engineer, from Malcolm Pirnie conducted the Certification Audit in May 2004. Certification audits are accomplished every three years and are done by auditors selected by AFMA. Maintenance audits are performed on an annual basis and must be performed by someone who

is not directly involved in managing the EMS. The auditor is looking for compliance with the points of the EMS which are as follows:

- Environmental Policy
- Facility Environmental Impact Analysis
- Measurable goals and objectives
- Employee awareness and Education
- Incident Preparedness Plan
- Public Education / Communication
- Working with suppliers and contractors
- Informing Regulatory agencies
- Information and Technology exchange
- Measuring Progress and Performance
- Corrective Action Plan

The audit process includes the following steps

- Pre-Audit EFEC review—review of program before audit to ensure Facility's EFEC program is ready for audit
- Opening meeting—describe the purpose of inspection, activities, and schedule
- Review documentation—review applicable program documents (EFEC Manual, training logs, communications, etc)
- Interviews and inspections—speak with management and workers about the facility's program
- Closing meeting—detail findings and recommendations

At the conclusion of the audit inspection, the auditor may recommend for EFEC registration (no nonconformities), recommend registration following corrective action (minor nonconformities that can be easily corrected and verified without another audit) or decline recommendation for registration. The company's responsible official and the auditor will sign off on the findings of the EFEC audit. The registration package will then be submitted to the EFEC Board of Examiners for final approval and registration. More information concerning EFEC can be found on the AFMA web site at www.afma4u.org.

Environmental Permits

You are eligible to participate in Clean Utah if you are governed by federal, state, or local environmental regulations.

For a Permitted Business:

List the environmental permits you hold. Attach additional sheets if more space is needed. If you are applying as a multiple facility, make sure the information is complete for all facilities to be covered by the Clean Utah! designation.

Type of Permit:	Permit Number:	Issued by:
Title V Operating Permit	300007001	State of Utah
General Multi-Sector Permit for Storm Water	UTR000000	State of Utah

For a Small Business:

In some cases, small businesses are exempted from permit requirements because of the size of the operation. They may still be required to meet certain federal or state environmental regulations, such as record keeping and pollution prevention steps.

Let us know, in the space below, which environment regulations apply to you and what steps you take to assure your operation meets applicable requirements.

Environmental Improvement Projects

Partner Level participants are required to work on two projects designed to significantly reduce or prevent pollution. "Significant" will be determined by considering your size, your industry sector, and your previous environmental improvement efforts.

Proposed projects cannot be work that is already required - by statute, rule, or as part of a settlement agreement. Wherever possible, your projects should be based on environmental aspects identified in your EMS. At least one of the two projects should benefit a Core area listed in the Clean Utah! policy.

Include with this application, an outline of your proposed projects. Submit a separate write up for each project. Make the proposal brief and succinct while clearly addressing the areas below. As you prepare your proposal, keep in mind that it will be considered by the Public Interest Review Panel as part of the approval process and that it will be part of the Clean Utah! public record. Therefore, it is recommended that you provide enough information to justify your proposal but do NOT submit proprietary or confidential information.

1. Begin with an introductory statement outlining your project.
2. Identify whether it is a Core or a Suggested project and which area it falls within. (See Clean Utah! policy pages 6 and 7)
3. Identify the environmental aspect or aspect(s) you are seeking to improve and why. (From your EMS)
4. Outline what you will accomplish and how. Provide enough information that a DEQ staff member will be able to evaluate the project's feasibility. Include:
 - a timeline with key milestones;
 - current, measured pollutant levels (provide the timeframe), targeted reductions, and/or other environmental benefits; and
 - a description of how you plan to monitor progress and measure success.
5. Identify any permits or special considerations you may need to do this project.
6. Tell us why you consider your project "significant"
7. Tell us how you plan to meet the public participation requirement. (See Clean Utah! policy page 9)
8. Any other considerations, information, or clarifications you wish to include.

Incentives

All participants:	DEQ-initiated publicity Annual meeting with DEQ policy leaders.
Partner Level:	Use of the Clean Utah! Partner logo Negotiated incentives
Possibilities:	Selected permit enhancements (indicate specifically what you are seeking) Facility specific incentives (indicate specifically what you are seeking) (Water Quality/Drinking Water Projects Only) - Recommendation for a reduced percentage or higher priority on loan funds. (This incentive is conditional, based on the approval of the appropriate Board) Low Priority for Routine Inspections Self audit Other incentives offered by EPA to its Performance Track participants. (See website)

In the space below, indicate the incentives you are interested in receiving in return for your participation. If facility-specific incentives are selected, indicate what it is you are seeking. Please rank order your preferences, with one being the most preferred.

Expedited permitting and a reduction in permitting fees.

2. Lower priority for routine inspections.

3. Extended hazardous waste storage time limit. La-Z-Boy Utah is a small quantity generator of hazardous waste. In order to reduce the liability of handling mercury-containing lamps, reduce the volume, and reduce the cost of disposal we crush the fluorescent lamps. In Utah crushed lamps are considered a hazardous waste. Allowing La-Z-Boy Utah to store full drums of crushed lamps for longer than 180 days would further reduce our disposal costs.

Note

The granting of incentives is at the discretion of DEQ, based on site-specific conditions, the strength of the proposed environmental projects, and the ability of the applicable DEQ program to provide the requested incentive.

LA-Z-BOY UTAH ENVIRONMENTAL IMPROVEMENT PROJECT

We have set a goal to reduce the solid waste that we are sending to the landfill. Our approach is to try to find ways to recycle items that are currently going to the landfill. We evaluated and will continue to evaluate what is in our trash stream to see what we can recycle. After locating a source to take the materials, we will establish a program to collect the material and recycle it.

This project is a Core Project under Waste Reduction, specifically solid waste reduction. However, we found that we also got into the suggested project area as we developed new recycling projects to help us meet our goal.

From our facility environmental impact assessment, we have identified solid waste as one of our larger environmental impacts. We set a goal to reduce our solid waste going to the landfill by 5% measured in pounds per equivalent piece of furniture produced. We felt with the achievement of this goal, we could help extend the life of the Box Elder County Landfill. This particular goal was first discussed in our December 4, 2003 EFEC Team meeting. Over the next three months we determined what in our waste stream we could recycle, found a recycler to take it, and established our in-house recycling program. We started recycling plastic bags, paper, plastic pop bottles, and cardboard tubes. Our first pick-up of the newly identified recyclable material was in April of 2004. We monitor, on a monthly basis, the overall amount of trash that is sent to the landfill. We also know the weight of the recyclable materials that would have gone to the landfill had we not started the new recycling program. Since April, we have reduced trash going to the landfill by 7%, which is 2% above our set goal for this year, which is April 2004 to April 2005. This program is monitored and reported to the plant manager and the EFEC team on a monthly basis. In addition to reducing the amount of trash going to the landfill, we also reduced our trash hauls to the landfill from twice a week to once a week.

There were no permits or special consideration need to accomplish this project.

We feel that our project will be significant because we can reduce what is going into the landfill while at the same time increasing our revenue through recycling. We have also seen a change in the attitude of our employees. They have become excited about the program and have actually helped come up with ideas on how to recycle more than we had originally thought about.

We have made a commitment to continue to look for additional ways to reduce our solid waste generated and sent to a land fill. We will frequently remind our employees of our goal to reduce waste and seek their involvement in new ideas for waste reduction and recycling. We know that this program will work as we receive a couple of suggestions per month with ideas to improve our program.

We will let the public know about our environmental program in a variety of ways. We have already had a couple of news releases about our environmental program published in the local news paper. During the Box Elder County Fair, we sponsored a booth that also contained information about our environmental programs. During our plant open house in August of 2004, every one that came into the plant was given a presentation on our environmental program. In addition, annually we bring classes of Utah State University Environmental, Engineering, and Industrial Hygiene Students through the plant and give them an overview of our environmental program. We will continue to take every opportunity that we can find to interact with the public to make them aware of our environmental goals and program.

We feel our environmental program and the specific project to reduce solid waste is an ongoing success. However, we will continue to look for ways to improve this program. This is an ongoing program that we will continue to work on for the next couple of years until we feel that we have reduced our waste stream to the absolute minimum. We are committed to a continual program of looking for ways to improve our environmental programs and lighten the impact on the environment.

Terms and Conditions

Acceptance as a Partner Level participant entitles my facility to:

- display the Clean Utah! logo at our place of business and in facility-related publicity. I understand that if my company has multiple facilities in Utah, only those locations covered by the approved application are eligible to use this logo.
- participate in DEQ-initiated publicity and in an annual meeting with DEQ policy leaders. Other incentives will be negotiated, based on the requests outlined in this application. I understand that final approval will be outlined in a signed Incentive Agreement and is subject to site-specific conditions and the ability of the applicable DEQ program to provide the incentive.

As a Partner Level participant, I agree to:

- remain in compliance with applicable environmental regulations. I understand that failure to do so may be grounds for removal.
- continue our EMS process and actively work on approved Clean Utah! projects.
- submit an Annual Report, certifying ongoing compliance and including a summary of project commitments, accomplishments to date, major indicators of environmental improvements, and a plan for the upcoming year
- conduct appropriate public outreach activities, as outlined in the Clean Utah! policy.

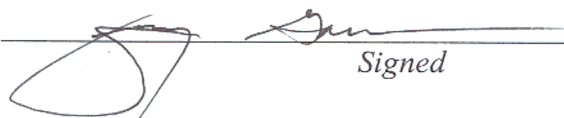
All **Clean Utah!** participants agree to remain in compliance with applicable environmental regulations. Failure to do so may be grounds for removal.

Certification Statement

(to be signed by a senior facility manager)

I have read and agree to the terms and conditions for participation in the Clean Utah Program as described in the Clean Utah! policy and application. I have personally examined and am familiar with the information contained in this application and it is, to the best of my knowledge and based on reasonable inquiry true, accurate and complete and I have no reason to believe the facility would not meet all program requirements. I agree that Utah DEQ's decision whether to accept participants into or remove them from Clean Utah! is wholly discretionary.

I am a senior facility manager and fully authorized to execute this statement on behalf of the corporation or other legal entity whose facility is applying to this program.

	<u>9-9-04</u>
<i>Signed</i>	<i>Date</i>
<u>Jerry Garren</u>	<u>Vice President</u>
<i>Print Name</i>	<i>Title</i>
<u>435-257-5282</u>	<u>jerry.garren@la-z-boy.com</u>
<i>Telephone</i>	<i>E-mail address</i>

LA-Z-BOY UTAH ENVIRONMENTAL IMPROVEMENT PROJECT

Another one of our projects identified through our facility environmental assessment is to enhance our energy efficiency. As we evaluated energy use we saw the biggest opportunity in our air conditioning system. The air conditioning system was a steam absorption chiller and the efficiency was not good. Our summer natural gas usage was twice that of the winter when we were heating the plant. We realized that if we made the air conditioning system more efficient, we would also reduce emissions from our gas boiler. Our project, then, was to increase energy efficiency with the subsequent reduction in emissions from our boiler.

This project can be classified in two areas, Energy Conservation, and reduction of Air Emissions. The goal to be more energy efficient will save money for the plant, while at the same time allowing us to also reduce air emissions.

We did an engineering study of different air conditioning systems to determine the most efficient system. When the study was completed, with estimated cost savings, we forwarded it to our Corporate offices for consideration. The savings were so substantial, that we were granted an out of cycle budget request for a new chiller. We purchased a new chiller this spring and replaced the inefficient steam absorption chiller.

We closely monitor our overall energy usage. While our electric bill has gone up some, our natural gas bill has gone down significantly. In addition, year-to-date, we have decreased the air emissions from our boiler by 72%. We continue to monitor, on a monthly basis, both energy consumption and emissions.

We are not done with this project. It is an ongoing project to evaluate ways to save energy and then implement the saving projects. We will evaluate the cost effectiveness of installing motion detectors on lights in restrooms and other areas of the plant that are not occupied continuously during production. In addition to this, we want to work with Utah Power on their electrical incentive programs. We will evaluate the possibility of replacing electrical motors in the plant with high efficiency electric motors.

There are no permits or special consideration needed to accomplish this project.

We feel that this project is significant to our plant because the more efficient use of utilities has already saved the plant over \$100,000 dollars this year alone. In addition to the monetary benefit, there is a significant reduction in air emissions from our boiler.

We will let the public know about our environmental program in a variety of ways. We have had a couple of news releases about our environmental program published in the local news paper. During the Box Elder County Fair, we sponsored a booth that also contained information about our environmental programs. During our plant open house in August of 2004, every one that came into the plant was given a presentation on our environmental program. In addition, annually we bring classes of Utah State University Environmental, Engineering, and Industrial Hygiene Students through the plant and give them an overview of our environmental program. We will continue to take every opportunity that we can find to interact with the public to make them aware of our environmental goals and program.

We feel our environmental program and the specific project to increase energy efficiency is an ongoing success. In evaluating how well this particular effort helped us on energy savings, we have now set a goal over the next few years to continue to increase energy efficiency for the plant. We have committed to a continual program of looking for ways to improve our environmental programs and lighten the impact on the environment.